UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/749,614	12/30/2003	Brian Alan Grove	2043.033US2	9853

49845   7590   07/09/2008
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EXAMINER
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ART UNIT	PAPER NUMBER
3625	

NOTIFICATION DATE	DELIVERY MODE
07/09/2008	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>04 April 2008</u>.

2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>1-20,26-31,34-53 and 59-78</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) <u>1-20,26-31,34-53 and 59-78</u> is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

        1. ☐ Certified copies of the priority documents have been received.

        2. ☐ Certified copies of the priority documents have been received in Application No. _____.

        3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

Introduction

The following is a final office action in response to the communications received

on April 4, 2008. Claims 1-20, 26-31, 34-53 and 59-78 are now pending in this

application.

Response to Amendment

No claims are amended.

Response to Arguments

Applicants' arguments have been fully considered but are not found persuasive.

Applicants argue the Examiner has erred by not giving patentable weight to several

claim limitations that are not positively recited and whose occurrence is conditional upon

the occurrence of specific conditions.

Examiner again directs Applicants to MPEP §2106 II C, which would allow partial

examination of a claim based on a conditional limitation used.

- The goal of claim analysis is to identify the boundaries of the protection sought by the applicant and to understand how the claims relate to and define what the applicant has indicated is the invention. USPTO personnel must first determine the scope of a claim by thoroughly analyzing the language of the claim before determining if the claim complies with each statutory requirement for patentability. See In re Hiniker Co., 150 F.3d 1362, 369, 47 USPQ2d 1523, 1529 (Fed. Cir. 1998) ("[T]he name of the game is the claim.").
- The subject matter of a properly construed claim is defined by the terms that limit its scope. It is this subject matter that must be examined. As a general matter, the grammar and intended meaning of terms used in a claim will dictate whether the language limits the claim scope. Language that suggests or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation.

Applicants specifically argue that this statement of the MPEP does not include

conditional language. Examiner respectfully submits that conditional language is

exactly the same as "language that...makes optional but does not require steps to be

performed". Applicants broadly state that this does not apply without providing any

rationale as to why it should not apply. Examiner maintains the previously asserted

rejections and fails to find Applicants' arguments persuasive as Applicants have failed to

specifically identify how this portion of the MPEP should not apply to the present

invention. Applicants are further requested to review *In re Johnston*, 77 USPQ2d 1788

(CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161 (Fed. Cir. 1991).

Examiner further maintains the previously asserted rejections as Applicants' have

made no attempt to specifically point out how the present invention is distinguished from

the prior art. Examiner is specifically discussed in the rejection below how the cited

prior art (Arms) directly reads on the present invention. As such, Applicants have not

provided any reason as to why the claims, as presently recited, are distinguished from

the prior art.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-20, 26-31, 34-53 and 59-78 are rejected under 35 U.S.C. 102(b) as

being anticipated by Auction Arms (Hereinafter "Arms").

Referring to claim 1. Arms discloses a network-based commerce system

including:

- A processor coupled to a memory through a bus (Arms: page 1, "Or you can

  access the most powerful online market of gun bidders on the planet by listing

  your product for sale!").

- An auction price-setting process executed from the memory by the processor to

  cause the processor to automatically publish at least one of a proxy bid

  information and a reserve price when a high proxy bid is less than the reserve

  price, the proxy bid information and the reserve price being associated with a

  listing for an item during an auction price-setting process (Arms: page 7,

  "Reserve Style Auction"); and

- An auction price setting process executed from the memory by the processor to

  cause the processor to keep the proxy bid information and the reserve price

confidential when the high proxy bid is more than the reserve price (Arms: page

7, "Reserve Style Auction").

The Examiner further notes, <u>the auction price-setting process executed from the</u>

<u>memory by the processor to cause the processor to automatically publish at least one of</u>

<u>a proxy bid information and a reserve price</u> is dependent on the phrase "when a high

proxy bid is less than the reserve price..."   This phrase is a conditional limitation. The

noted step is not necessarily performed. Accordingly, once the positively recited steps

are satisfied, the method as a whole is satisfied -- regardless of whether or not other

steps are conditionally invocable under certain other hypothetical scenarios. [See: In re

Johnston, 77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20

USPQ2d 1161 (Fed. Cir. 1991); MPEP §2106 II C].

The Examiner additionally notes, <u>the auction price-setting process executed from</u>

<u>the memory by the processor to cause the processor to keep the proxy bid information</u>

<u>and the reserve price confidential</u> is dependent on the phrase "when the high proxy bid

is more than the reserve price..."   This phrase is a conditional limitation. The noted step

is not necessarily performed. Accordingly, once the positively recited steps are

satisfied, the method as a whole is satisfied -- regardless of whether or not other steps

are conditionally invocable under certain other hypothetical scenarios. [See: In re

Johnston, 77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20

USPQ2d 1161 (Fed. Cir. 1991); MPEP §2106 II C].

Referring to claims 2-7. These limitations are dependent upon a conditional

limitation and are given little patentable weight, since once the positively recited steps

are satisfied, the method as a whole is satisfied -- regardless of whether or not other

steps are conditionally invocable under certain other hypothetical scenarios. However,

to further expedite prosecution of the present application, Examiner is providing

citations to prior art teachings as if these limitations were to be given patentable weight,

discussed below.

As per claim 2, Arms discloses "the auction price-setting process further causes

the processor to automatically retract publication of the proxy bid information upon the

high proxy bid exceeding the reserve price" (Arms: page 7, "Reserve Style Auction").

As per claim 3, Arms discloses "the auction-setting process further causes the

processor to request an adjustment of a fixed price offer associated with a listing for an

item utilizing the auction price-setting process, the request being sent to a seller of the

listing" (Arms: page 7, "Dutch Style Auction").

As per claim 4, Arms discloses "the publication is performed during the auction

price-setting process" (Arms: page 7, "Reserve Style Auction").

As per claim 5, Arms discloses "the publication is performed after the auction price-setting process" (Arms: page 7, "Reserve Style Auction").

As per claim 6, Arms discloses "the auction price-setting process further causes the processor to automatically notify a buyer when the reserve price is published" (Arms: page 6, "Reserve Price Not Met/Reserve Price Met").

As per claim 7, Arms discloses "the publication includes publishing for view by a specific bidder only" (Arms: page 9, "Watch List").

Referring to claim 8. Arms discloses a network-based commerce system for facilitating a network-based auction price-setting process, the network-based commerce system including:

- A processor coupled to a memory through a bus (Arms: page 1, "Or you can access the most powerful online market of gun bidders on the planet by listing your product for sale!").

- An auction price-setting process executed from the memory by the processor to cause the processor to automatically publish at least one of a proxy bid information and a reserve price when a high proxy bid is less than the reserve price, the proxy bid information and the reserve price being associated with a listing for an item during an auction price-setting process (Arms: page 7, "Reserve Style Auction"); and

- An auction price setting process executed from the memory by the processor to cause the processor to keep the proxy bid information and the reserve price confidential when the high proxy bid is more than the reserve price (Arms: page 7, "Reserve Style Auction").

The Examiner notes, <u>the auction price-setting process executed from the memory by the processor to cause the processor to automatically publish at least one of a proxy bid information and a reserve price</u> is dependent on the phrase "when a high proxy bid is less than the reserve price…" This phrase is a conditional limitation. The noted step is not necessarily performed. Accordingly, once the positively recited steps are satisfied, the method as a whole is satisfied -- regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios. [See: In re Johnston, 77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161 (Fed. Cir. 1991); MPEP §2106 II C].

The Examiner notes, <u>the auction price-setting process executed from the memory by the processor to cause the processor to keep the proxy bid information and the reserve price confidential</u> is dependent on the phrase "when the high proxy bid is more than the reserve price…" This phrase is a conditional limitation. The noted step is not necessarily performed. Accordingly, once the positively recited steps are satisfied, the method as a whole is satisfied -- regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios. [See: In re Johnston,

77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161

(Fed. Cir. 1991); MPEP §2106 II C].

Referring to claim 9. Arms disclose a network-based commerce system wherein

the at least one of the proxy bid information and the reserve price information are

automatically exchanged upon conclusion of the auction price-setting process (Arms:

page 9, "If I didn't receive an email, can I contact the seller?").

Referring to claim 10. This limitation is dependent upon a conditional limitation

and is given little patentable weight, since once the positively recited steps are satisfied,

the method as a whole is satisfied -- regardless of whether or not other steps are

conditionally invocable under certain other hypothetical scenarios.

Referring to claim 11. Arms disclose a network-based commerce system

wherein the auction price-setting process further causes the processor to automatically

invite at least one of the seller and the buyer to exchange the at least one of the proxy

bid and the reserve price information (Arms: page 9, "If I didn't receive an email, can I

contact the seller?").

Referring to claim 12. Arms disclose a network-based commerce system

wherein at least one of the buyer and the seller is automatically invited to exchange the

at least one of the proxy bid and the reserve price information when a proxy bid

associated with the seller and the reserve price are within a predetermined proximity of

each other (Arms: page 9, "If I didn't receive an email, can I contact the seller?").

   <u>Referring to claim 13</u>. Arms disclose a method according to claim 12 as

indicated supra. Arms does not expressly disclose a network-based commerce system

<u>wherein the predetermined proximity is within twenty percent of each other</u>. However,

the wherein clause merely states the result of claim 13 and adds nothing to the

patentability or substance of the claim. *See Texas Instruments Inc. v. International*

Trade Commission, 26 USPQ2d 1010 (Fed. Cir. 1993). Furthermore, the applicant has

not persuasively demonstrated the step of having a proximity within twenty percent,

versus that shown in the prior art.

   <u>Referring to claim 14</u>. Arms disclose a network-based commerce system

wherein the exchange of information is a secured exchange of information (Arms: page

6, "FFL").

   <u>Referring to claim 15</u>. Arms disclose a network-based commerce system

wherein the invitation is indicated in the listing (Arms: page 16).

   <u>Referring to claim 16</u>. Arms disclose a network-based commerce system

wherein the invitation is indicated in the listing before the auction price-setting process

(Arms: page 16).

Referring to claim 17. Arms disclose a network-based commerce system

wherein the invitation is indicated in the listing after the auction price-setting process

(Arms: page 9, "If I didn't receive an email, can I contact the seller?").

Referring to claim 18. These limitations are dependent upon a conditional

limitation and are given little patentable weight, since once the positively recited steps

are satisfied, the method as a whole is satisfied -- regardless of whether or not other

steps are conditionally invocable under certain other hypothetical scenarios.

Referring to claim 19. Arms disclose a network-based commerce system

wherein the auction price-setting process further causes the processor to facilitate a

request for an adjustment of a fixed price offer associated with a listing for an item

utilizing the auction price-setting process, the request to be sent to a seller of the listing

(Arms: page 7, "Reserve Style Auction").

Referring to claim 20. Arms disclose a network-based commerce system

wherein the auction price-setting process further causes the processor to notify

automatically the buyer when the reserve price has been published (Arms: page 8, "You

will be notified at any time that you've been outbid, or any time a proxy bid has been

placed for you.").

   Referring to claims 26-31. Claims 26-31 contains limitation similar to claims 1-20

as indicated supra. Claims 26-31 are rejected under the same rationale as set forth

above in claims 1-20.

   Referring to claims 34-53. Claims 34-53 contains limitation similar to claims 1-20

as indicated supra. Claims 34-53 are rejected under the same rationale as set forth

above in claims 1-20.

   Referring to claims 59-78. Claims 59-78 contains limitation similar to claims 1-20

as indicated supra. Claims 58-78 are rejected under the same rationale as set forth

above in claims 1-20.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time

policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE

MONTHS from the mailing date of this action. In the event a first reply is filed within

TWO MONTHS of the mailing date of this final action and the advisory action is not

mailed until after the end of the THREE-MONTH shortened statutory period, then the

shortened statutory period will expire on the date the advisory action is mailed, and any

extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

the advisory action. In no event, however, will the statutory period for reply expire later

than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to Kalyan K. Deshpande whose telephone number is

(571)272-5880. The examiner can normally be reached on M-F 8am-5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Jeffrey Smith can be reached on (571) 272-6763. The fax phone number

for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the

Patent Application Information Retrieval (PAIR) system. Status information for

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USPTO Customer Service Representative or access to the automated information

system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Jeffrey A. Smith/
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